



2010 YEAR IN REVIEW

**Serving Washington, DC and
Montgomery County, MD**



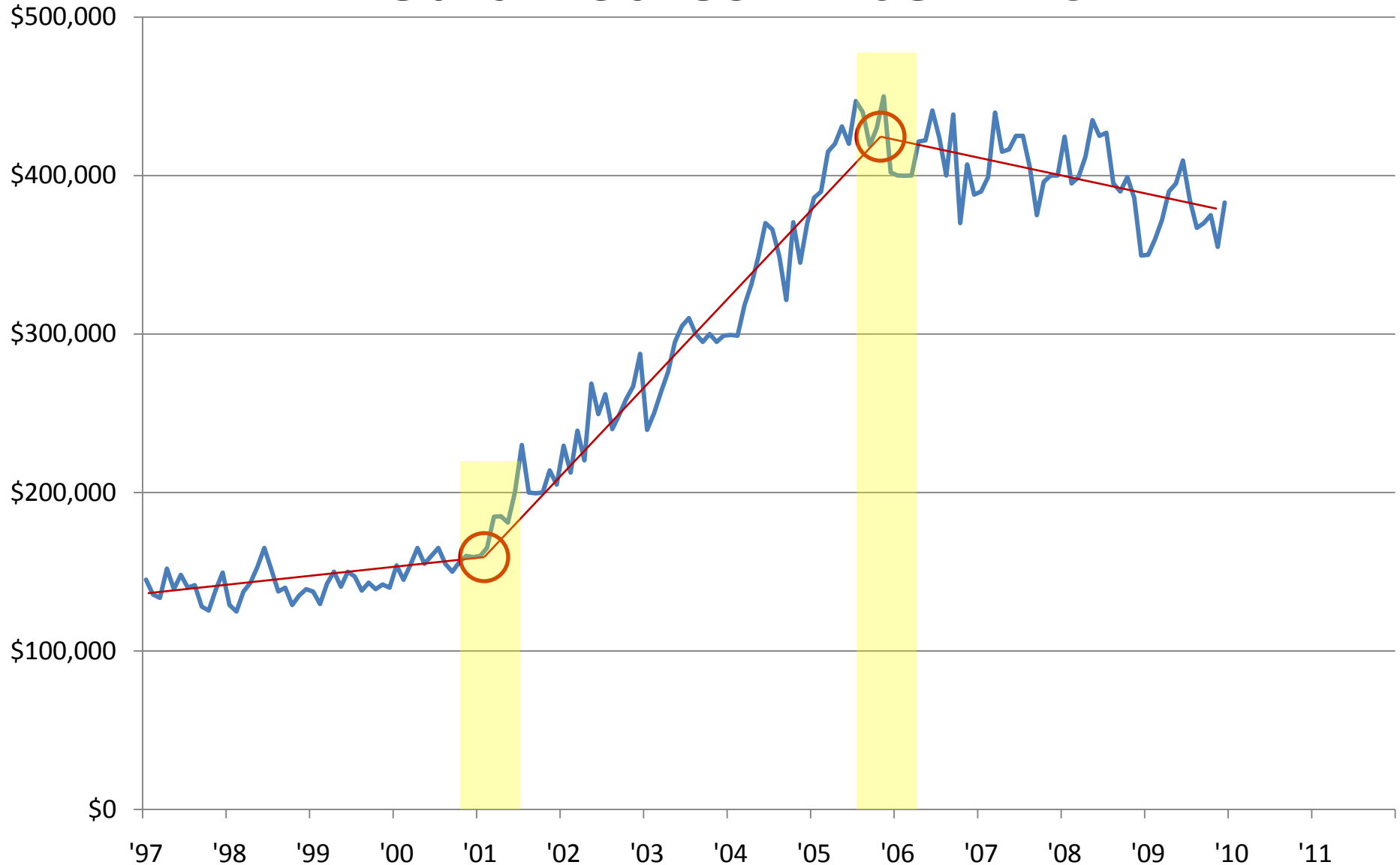
Adrian Hunnings
2011 President

*Greater Capital Area
Association of REALTORS[®]*

DISTRICT OF COLUMBIA

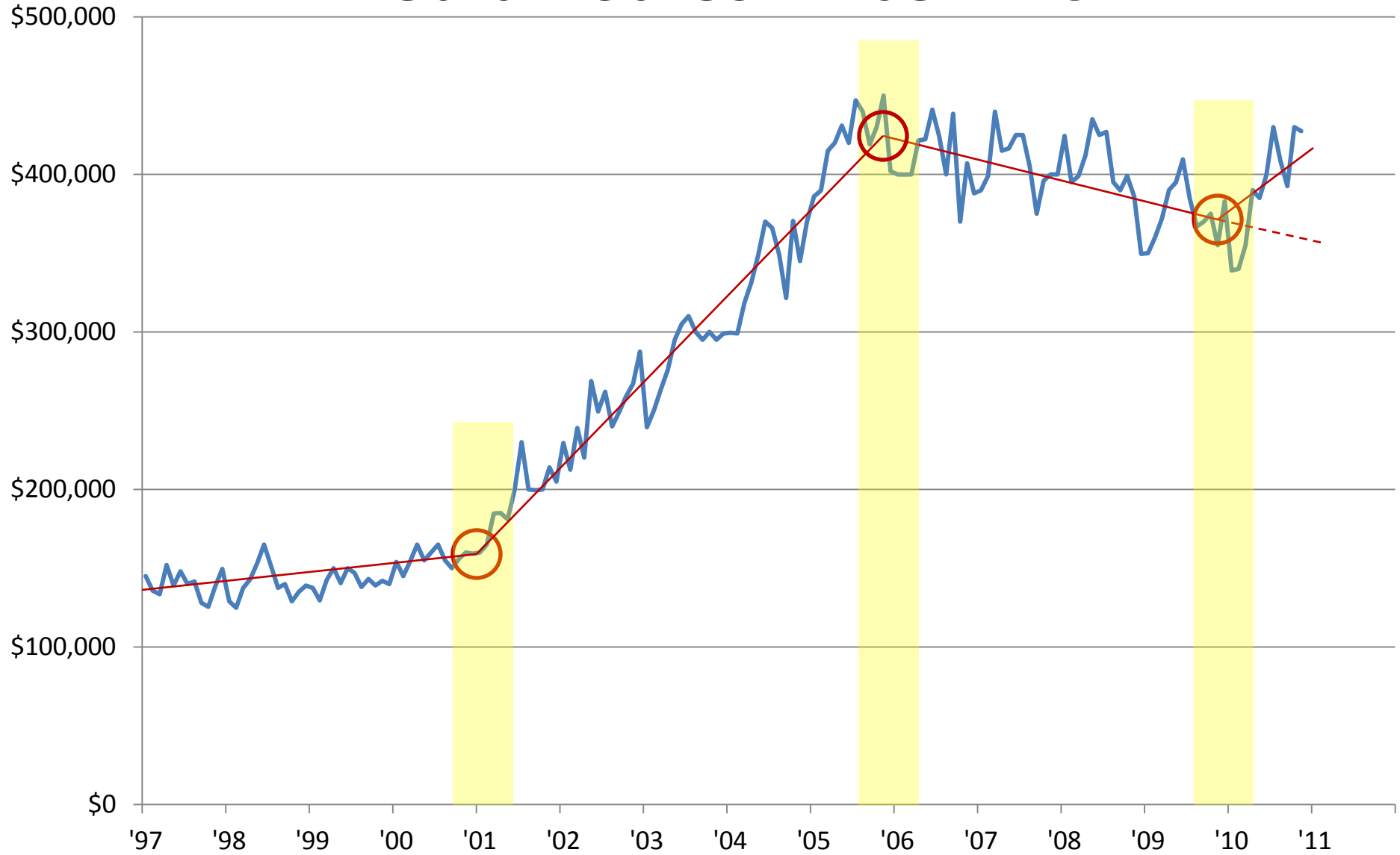


Median Sales Price - DC



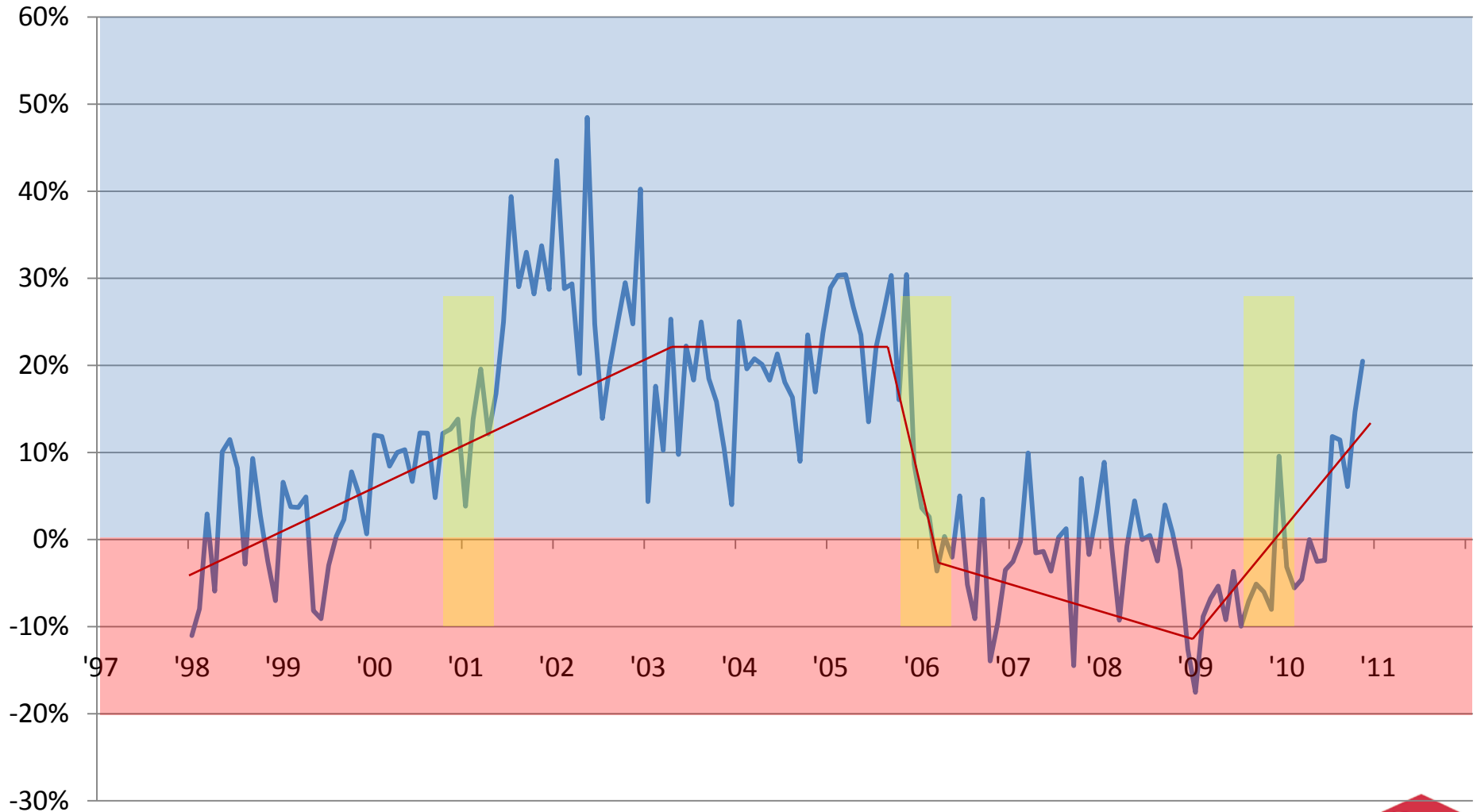


Median Sales Price - DC



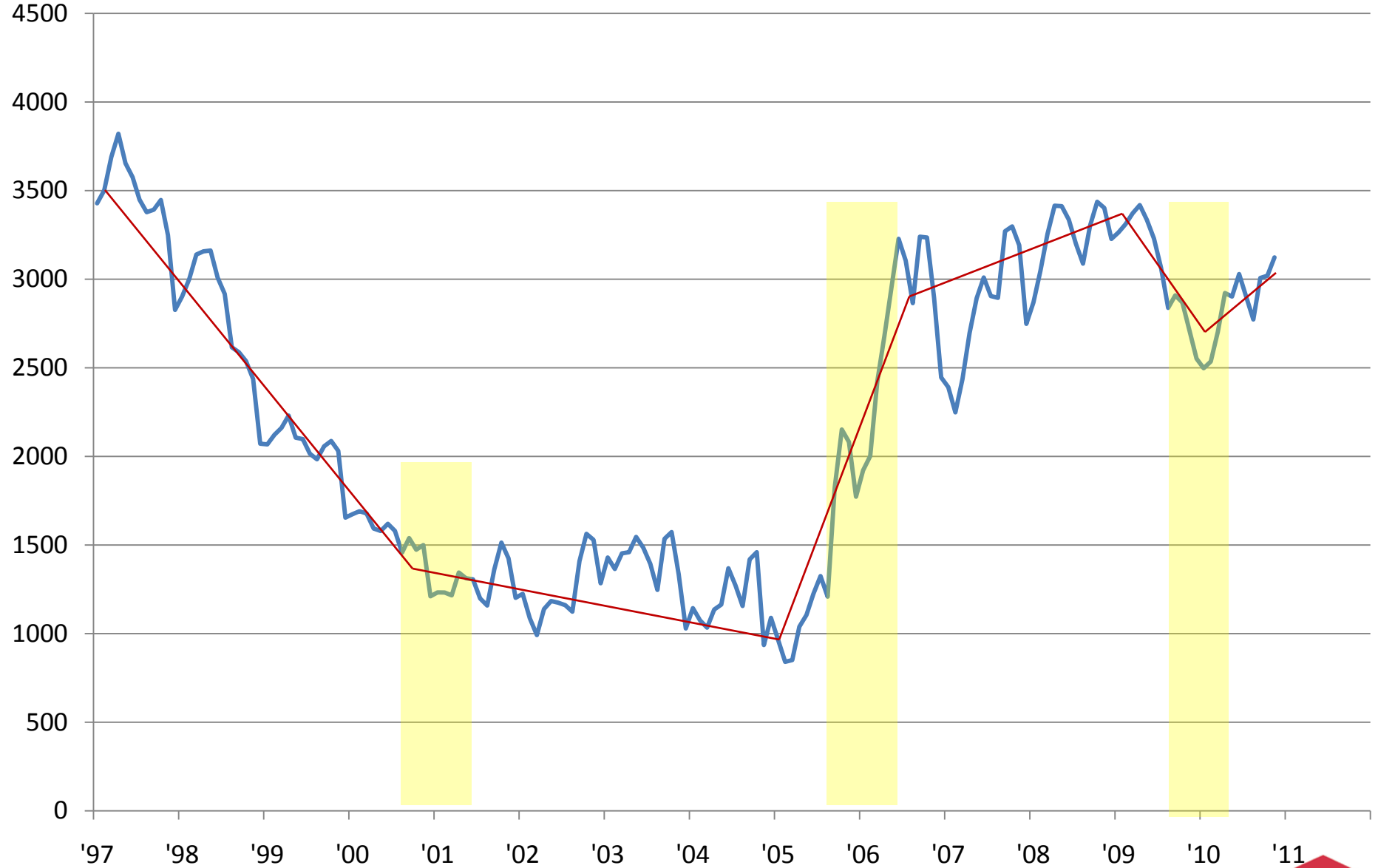
Change in Median Sales Price - DC

Year over Year



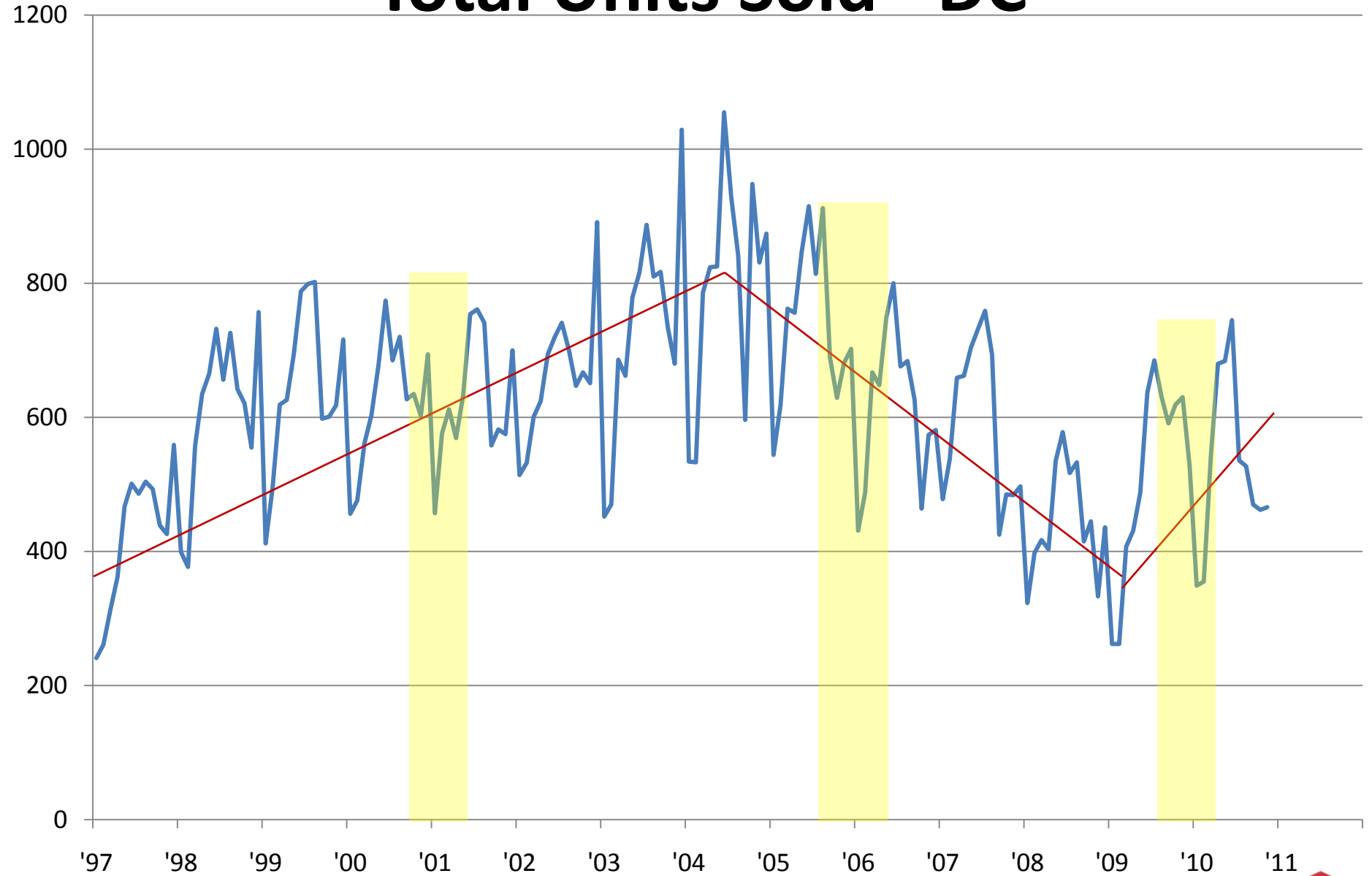


Inventory - DC

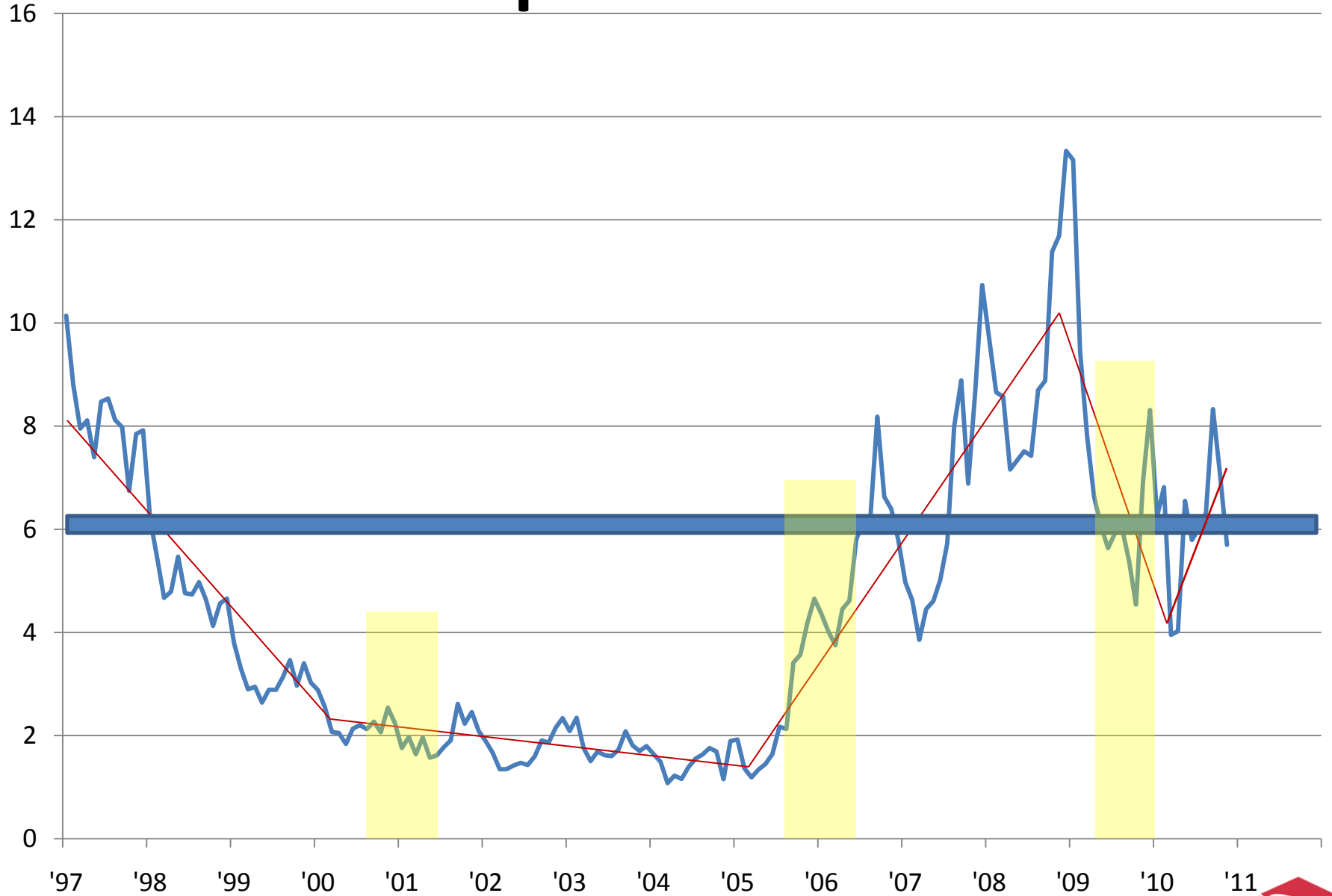




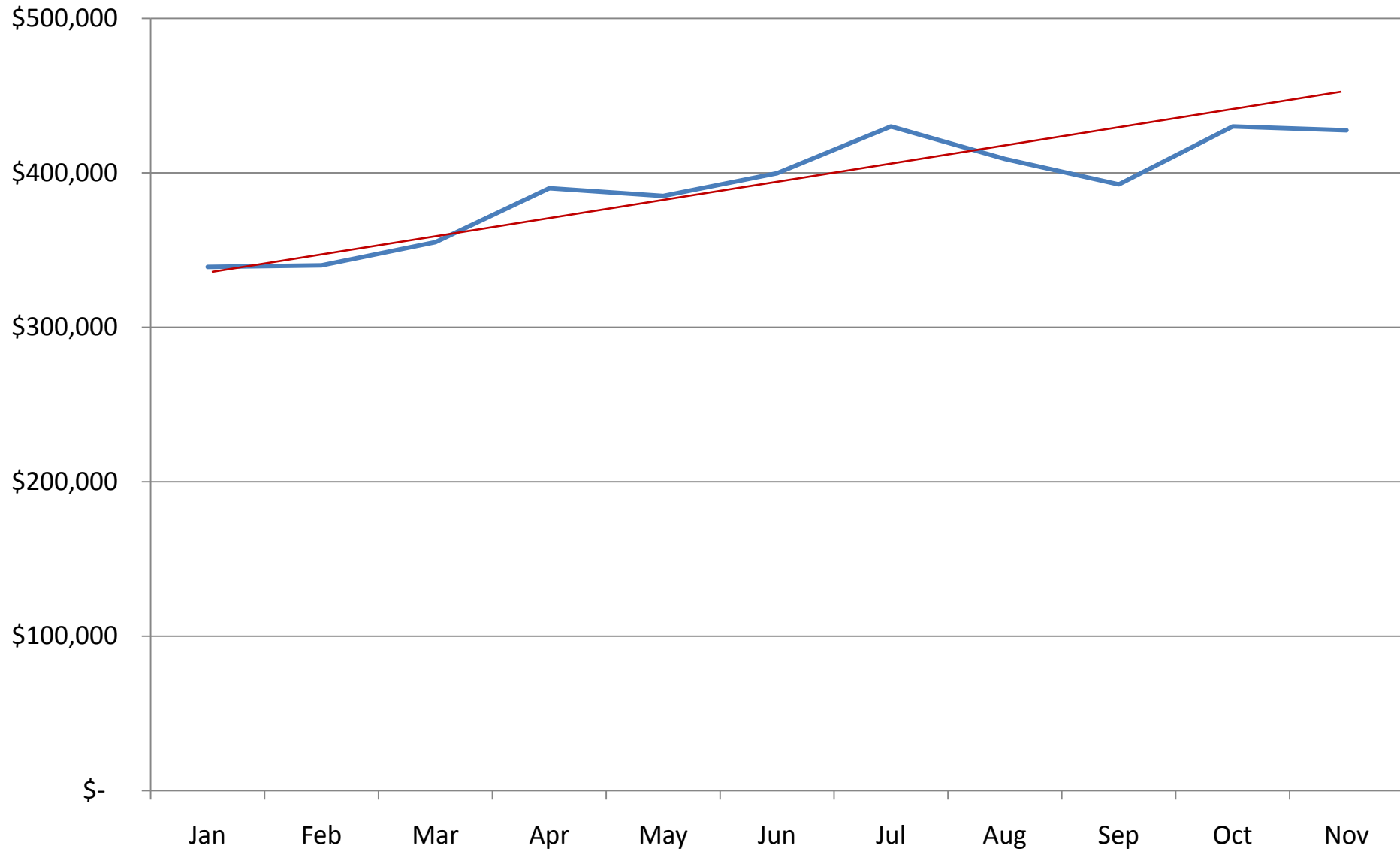
Total Units Sold - DC



Absorption Rate - DC



2010 Median Sales Price - DC

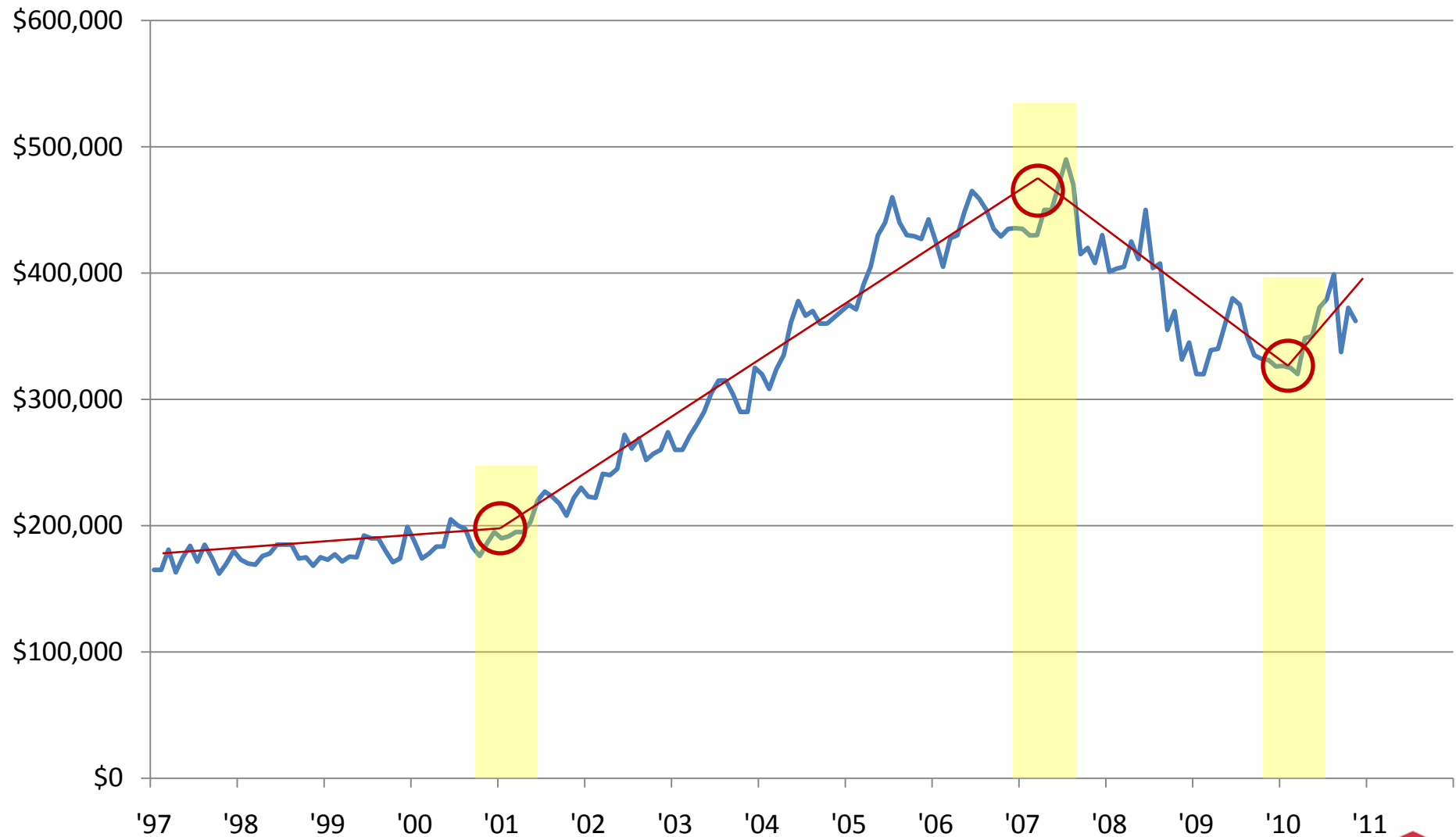


MONTGOMERY COUNTY



Median Sales Price

Montgomery County

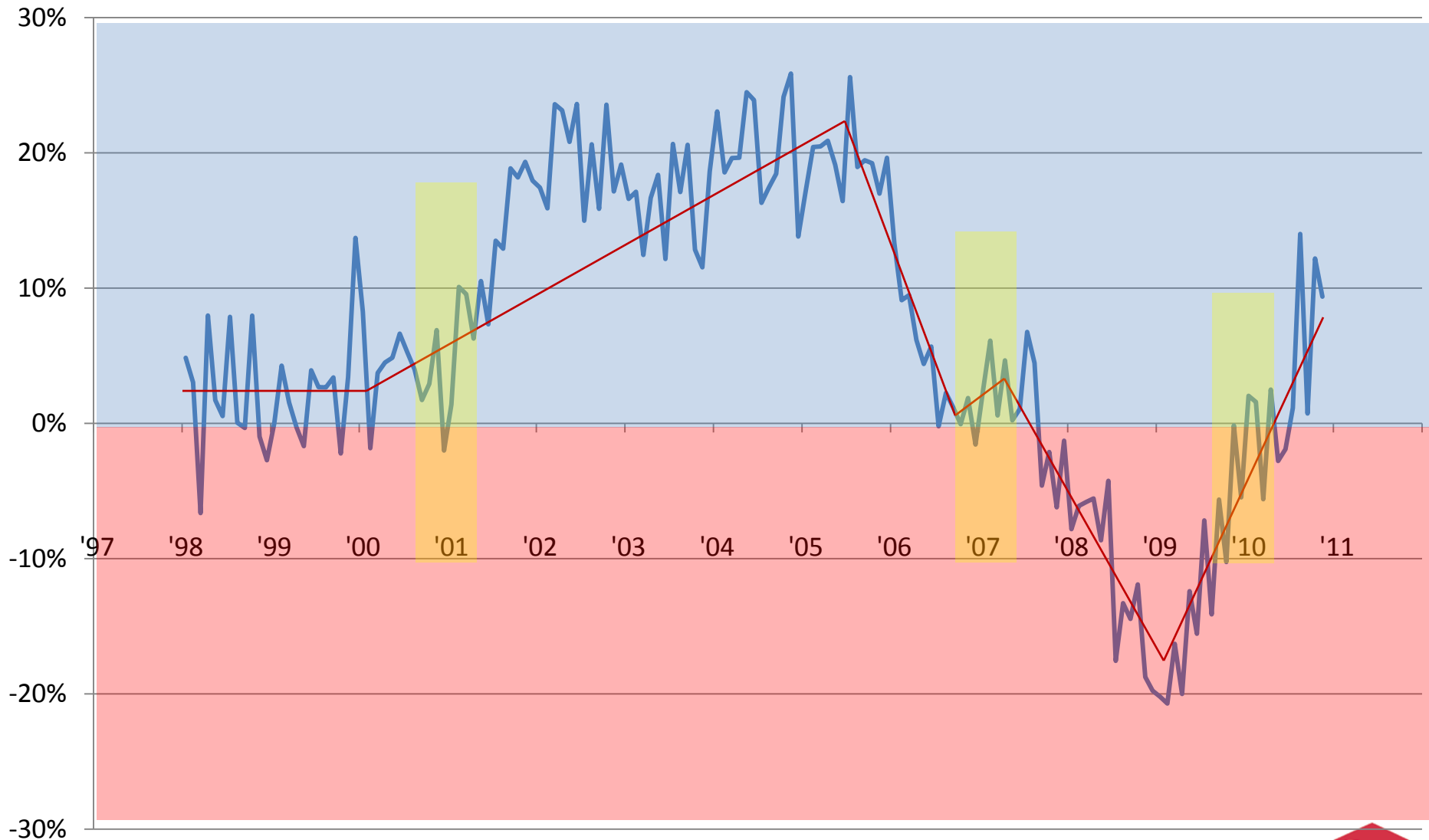


For all residential transactions (including single family, condos, and co-ops)



Change in Median Sales Price

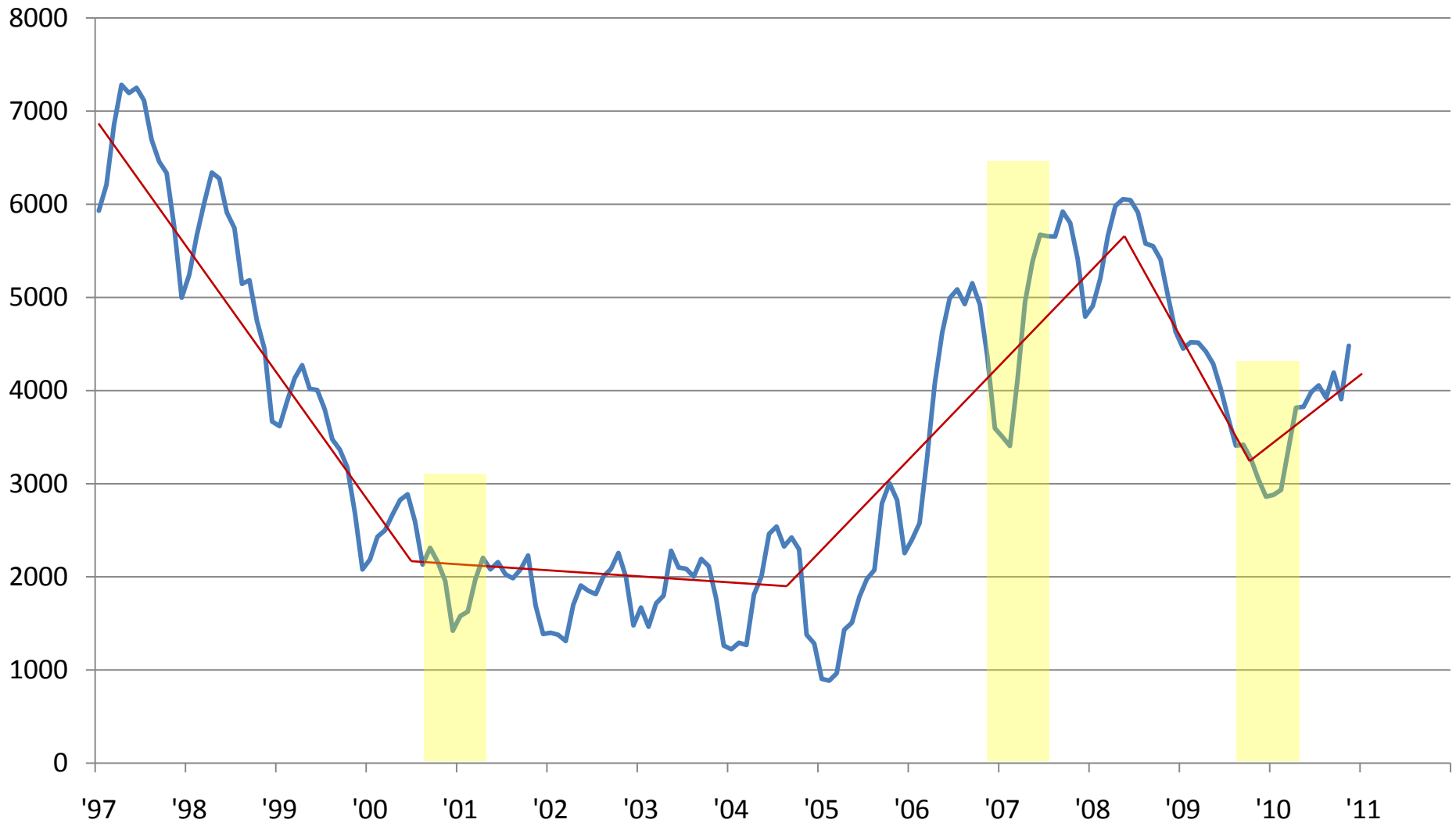
Year over Year - Montgomery County





Inventory

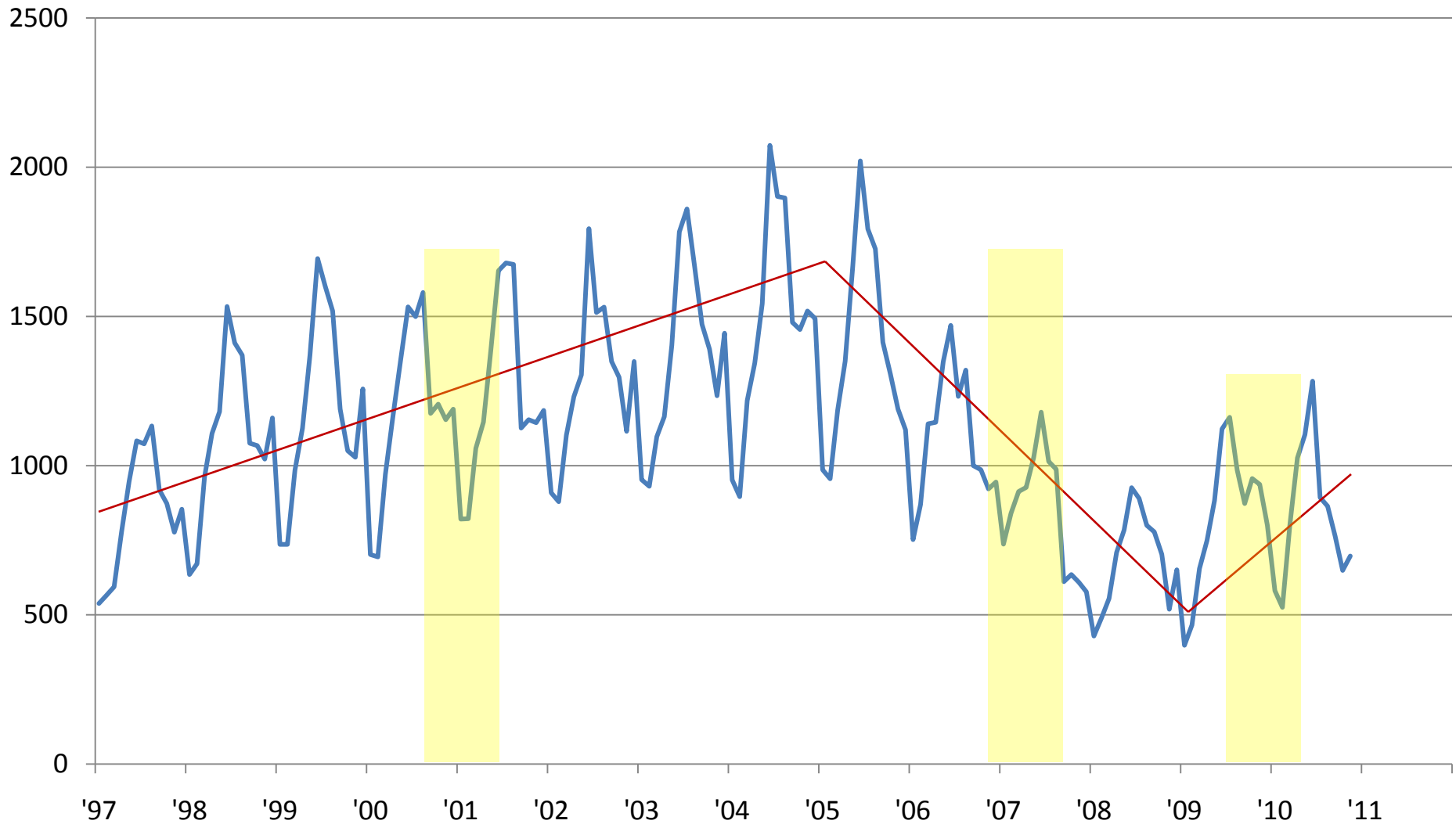
Montgomery County





Units Sold

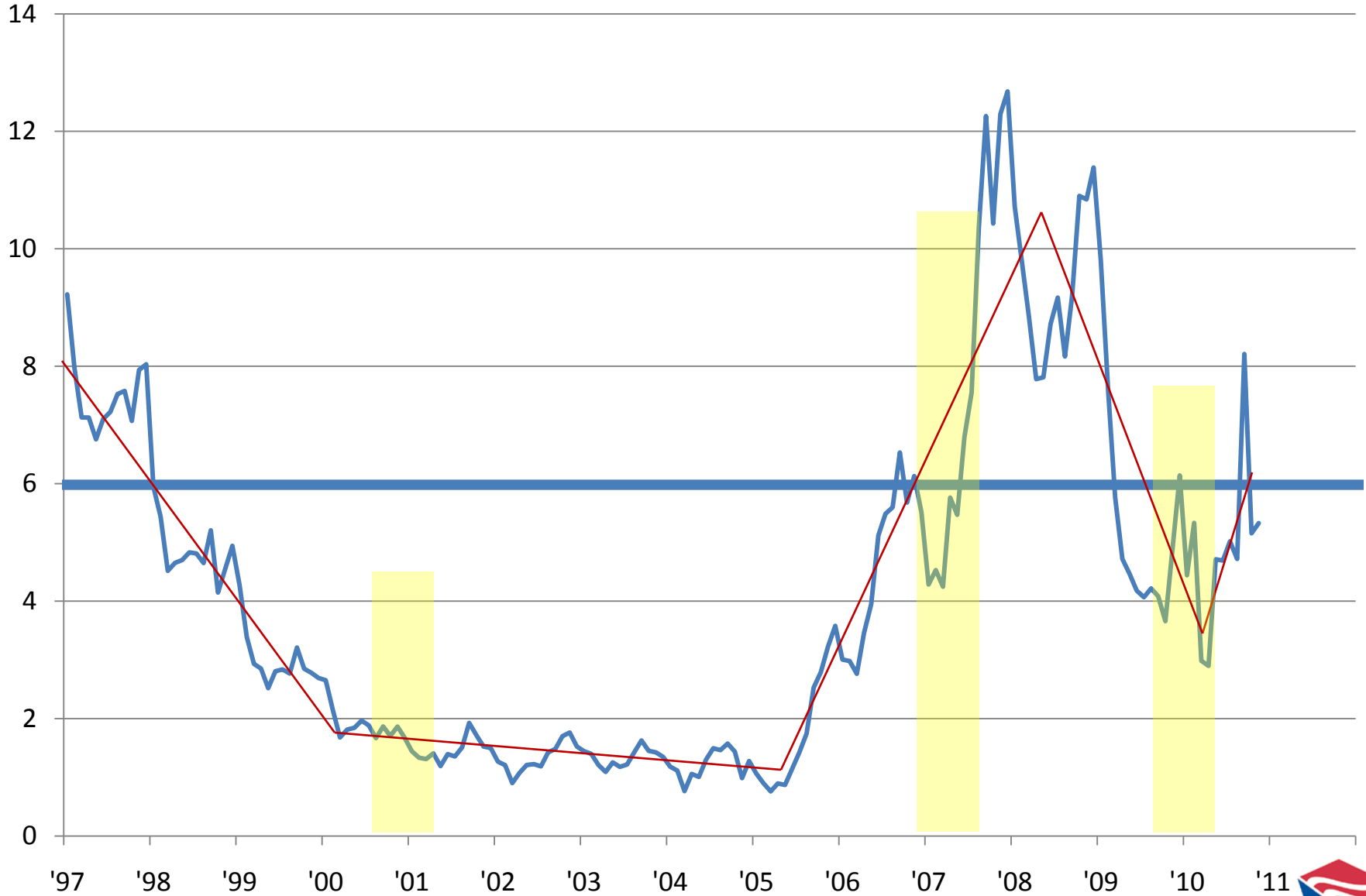
Montgomery County





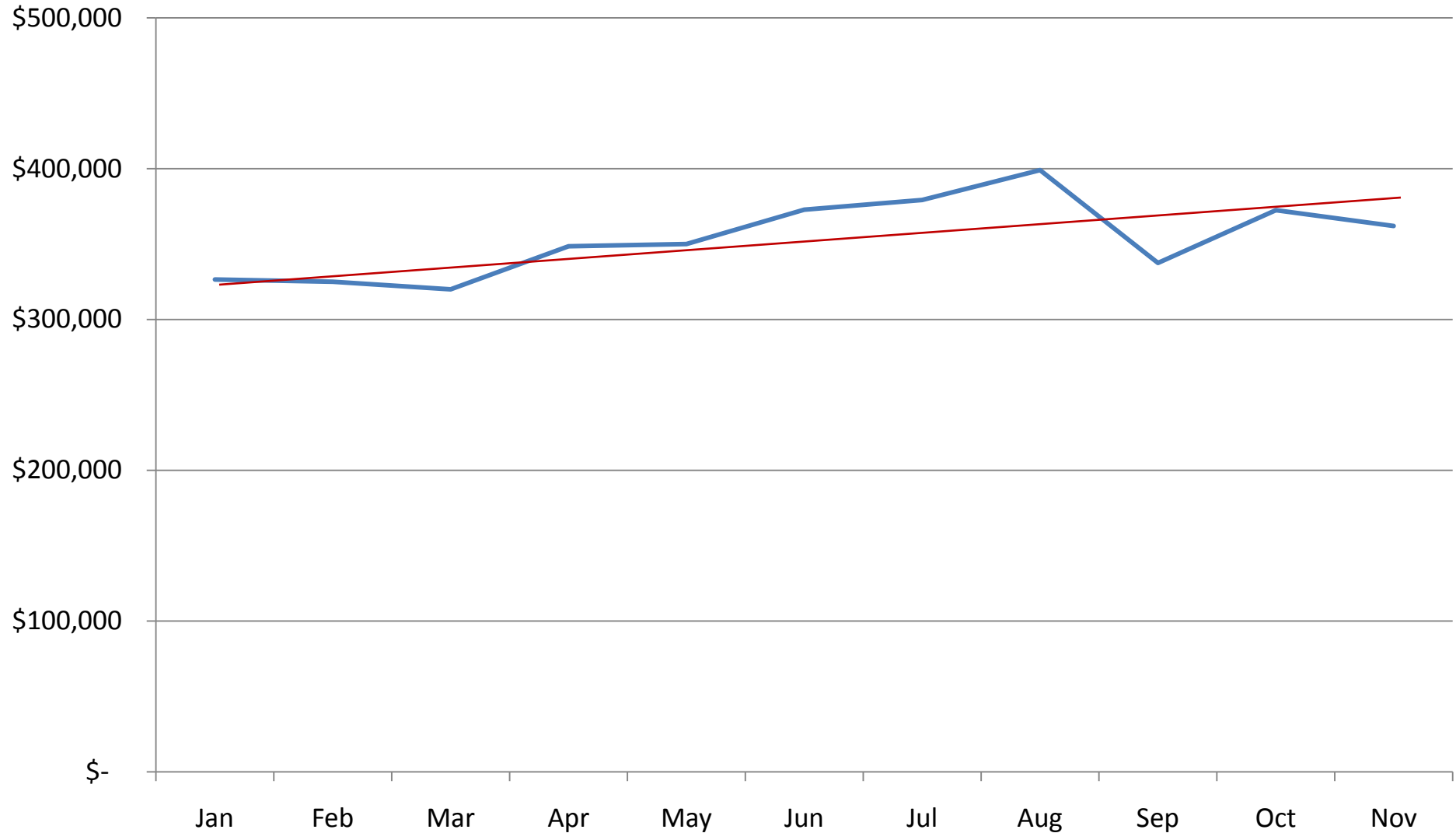
Absorption Rate

Montgomery County



2010 Median Sales Price

Montgomery County





IMPACT OF INTEREST RATES



30-Year Fixed Interest Rates

Monthly Averages

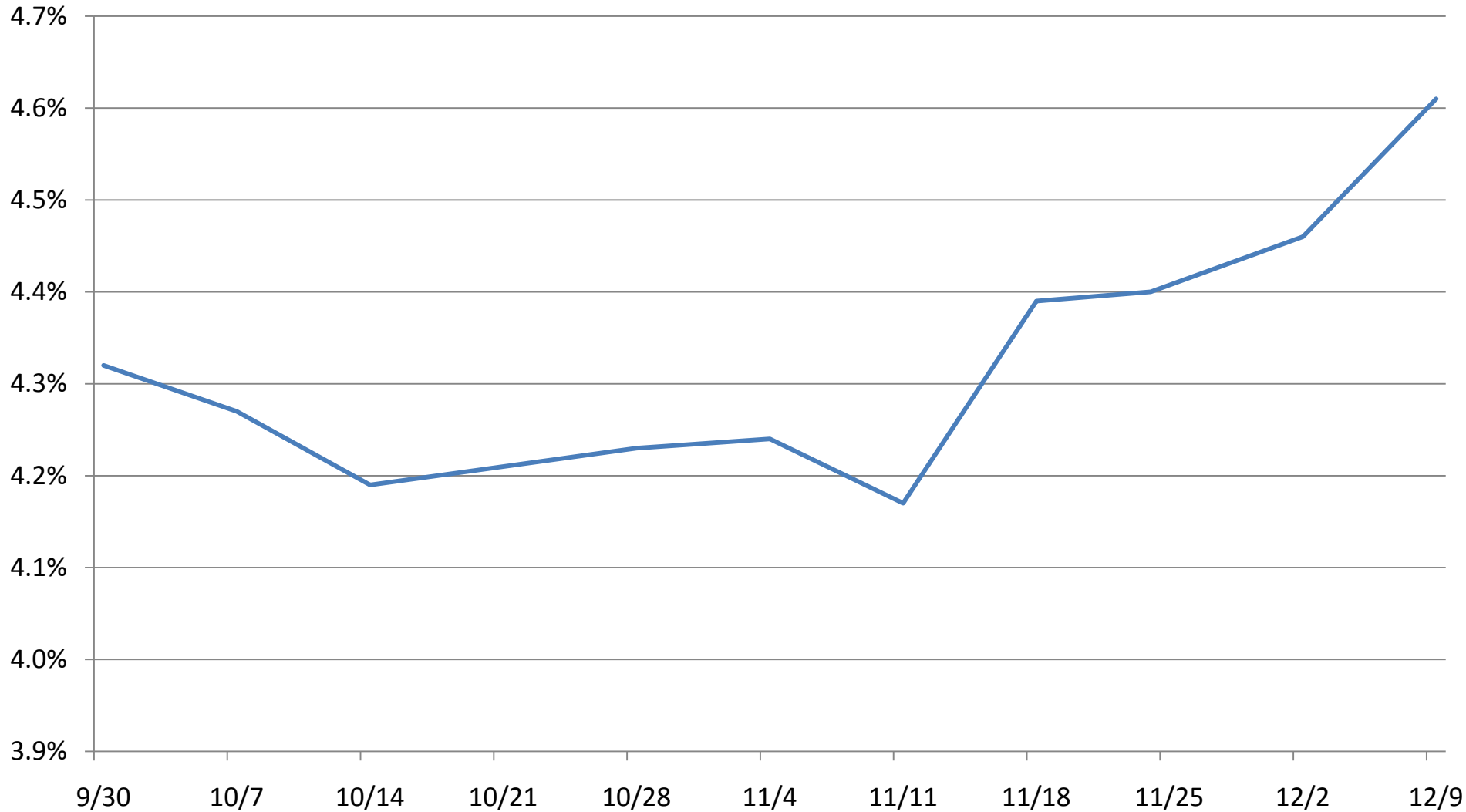


Source: Freddie Mac



30-Year Fixed Interest Rates

Weekly Averages Q3 2010



Source: Freddie Mac

Monthly Payment varying by Interest Rate on \$427,750 Sales Price

Interest Rate	Monthly Payment*
4.25%	\$1,683
4.75%	\$1,785
5%	\$1,837
6%	\$2,052
7%	\$2,276

**based on 20% downpayment*



Monthly Payment vs. Sales Price

$\$1,683 \times 4.25\% \rightarrow \$427,750$


$\$1,683 \times 7.00\% \rightarrow \$316,288$



2011 Forecast for DC and Montgomery County


Market Fundamentals are strong

- Stabilizing local economy
- Consumer confidence on the rise
- Population - # of households growing
- Interest rate relatively attractive
- Home Prices lowest since about 2004



2011 Forecast for DC and Montgomery County

- # of Units Sold – expected to climb in 2011
- January/February Inventory will decline before the spring inventory comes on the market
- Absorption rate will hover around 5 – 6 months
- Prices will appreciate (3% - 5%)



2011 Forecast for DC and Montgomery County

Caveats

- If end of year inventory continues to outpace sales
- 30 year mortgage rates vulnerable to deficit fears
- Availability to obtain financing
- Concern over ability to deduct mortgage interest and other commission recommendations
- Volume of foreclosures



2011

Greater Urgency for Buyers

- Prices continue to move up
- Mortgage interest rates climb



**For more information,
please visit:**

www.GCAAR.com

**Statistics available around
the 7th of every month**